# Operational Risk Management (ORM)

1. Identify the Hazard
2. Assess the Risk
3. Analyze Risk Control Measures
4. Make Control Decisions
5. Implement Risk Controls
6. Supervise and Review

# WHAT IS ORM?

1. Identify the Hazard
2. Assess the Risk
3. Analyze Risk Control Measures
4. Make Control decisions
5. Implement Risk Controls
6. Supervise and Review

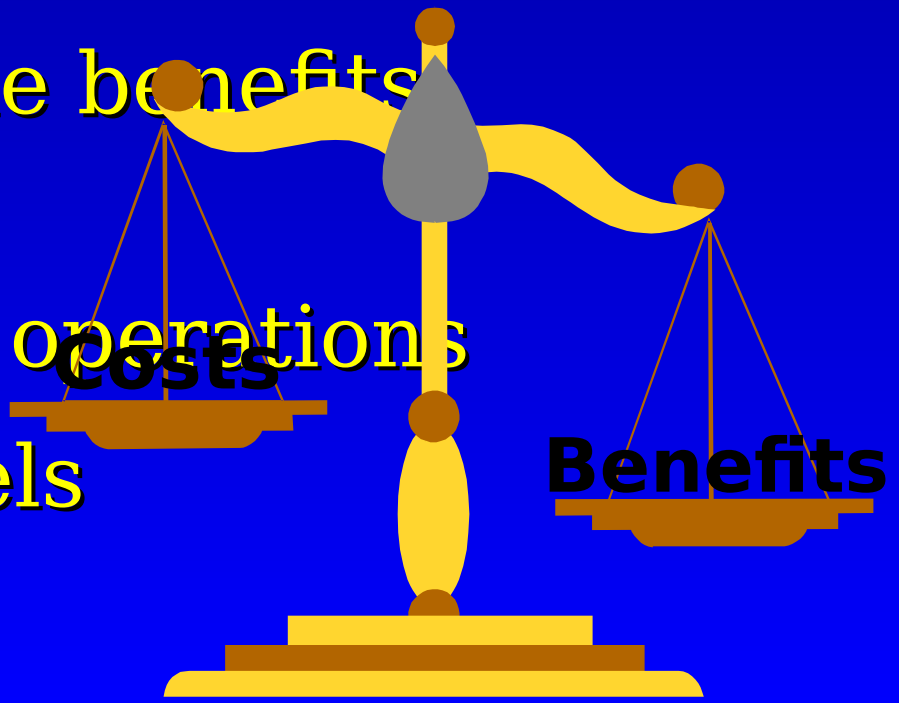
- ORM is a logic-based common sense approach to making decisions both on- and off-duty. It is not simply an element of the safety program. It is an attitude -- a lifestyle.
- Using common sense and not being stupid!
  - **Problem -- Common sense isn't always common and to some**

# Fundamental Goals of ORM

- Enhance mission effectiveness
- Integrate ORM into mission processes
- Train all AF personnel to manage risks in all their on-and off-duty activities
- Identify opportunities to increase Air Force warfighting effectiveness

# THE FOUR PRINCIPLES OF ORM

1. Accept no unnecessary risk
2. Make risk decisions at the appropriate level
3. Accept risk when the benefits outweigh the costs
4. Integrate ORM into operations and planning at all levels



# OPERATIONAL RISK MANAGEMENT

- Why do I need it?
  - –It could save your life
- Who should use it?
  - –Everyone
- When do I use it?
  - –All of the time--on-and-off duty
- How do I use it?
  - –Read on

# Example of Time-Critical ORM

- You just finished working a 12 hour shift and your buddy says

  "Why don't we drive to New Orleans?"

- What are the risks?
- How serious are the risks?
- Analyze the situation
- Make your decisions and implement risk controls

# Example of Time-Critical ORM

- Risks
  - –Falling asleep while driving
  - –Running off the road
  - –Colliding with an on-coming vehicle
- How serious? Very!
  - –You could kill someone - including yourself
- Analyze the situation…
  - –Sure, I'll go to New Orleans---but first I need some sleep

# What are Your Responsibilities?

- Commander

# COMMANDER'S RESPONSIBILITIES

- Responsible for effective management of risk
- Select from risk reduction options
- Accept or reject risk based on the benefit
- Train and motivate the use of ORM

# What are Your Responsibilities?

- Commander
- Supervisor

# SUPERVISOR'S RESPONSIBILITIES

- Apply risk management while developing commitment to the mission and the welfare of subordinates
- Consistently apply effective risk management concepts and methods to operations/tasks
- Report risk issues beyond their control or authority to superiors for resolution

# What are Your Responsibilities?

- Commander
- Supervisor
- Individual

# INDIVIDUAL'S RESPONSIBILITIES

- Maintain a constant awareness of changing risks associated with the operation / task
- Immediately make supervisors aware of any unrealistic control or high risk procedures
- Provide risk control inputs
- Understand, accept, and implement risk reduction guidance

# MG Farage's ORM Direction

- Reinforce the fact that ORM is an organized framework for decision making
- ORM enhance's mission effectiveness at all levels
- It's purpose is to preserve assets while safeguarding personnel & resources
- Flexible enough to be used by anyone in the AF

***The Key*** *- Accept no unnecessary risk while maximizing the missions accomplishments with as little risk as possible*

# Final Thoughts

- ORM does not replace Air Force directives or instructions

- Not every task requires Risk Management

- ORM is simply applying common sense on- and off-duty

# ORM Information

- AFPD 90-9
- AFI 90-901 & AETC Sup 1
- AFPAM 90-902, ORM Guidelines and Tools
- For additional information go to the Air Force Safety Center Website
  http://www-afsc.saia.af.mil/
- Contact 37 TRW Safety at Ext. 3 - 1842